

American Axle 2Q Profit Nearly Doubles

Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

American Axle 2Q Profit Nearly Doubles

DETROIT (AP) — Auto parts supplier American Axle & Manufacturing Holdings Inc. said Friday that its second-quarter profit nearly doubled on higher sales stemming from the continued increase in vehicle production.

The Detroit-based company also boosted its profit prediction for the full year, citing updated production schedules at its customers and continued recovery in consumer demand for full-size pickup trucks and sport utility vehicles.

American Axle earned \$49.2 million, or 65 cents per share, up from \$25.4 million, or 34 cents per share, for the same quarter in 2010. Sales rose 23 percent to \$686.2 million from \$559.6 million.

The results came in well ahead of Wall Street predictions. Analysts, on average, expected a profit of 44 cents per share on \$637.8 million in revenue, according to a FactSet survey.

American Axle said it continues to benefit from increased production of many of the vehicles that it supplies.

The company, which once nearly exclusively supplied parts for General Motors' light trucks and sport utility vehicles, said its non-GM sales in the quarter grew about 35 percent from a year earlier to \$182.7 million.

The company said it now expects its 2011 sales of \$2.5 billion to \$2.6 billion. Analysts on average expect \$2.52 billion in sales.

American Axle's Detroit manufacturing complex is expected to close Feb. 26, when the company's current deal with the United Auto Workers union expires, or later. The company said it expects to incur costs of \$15 million to \$20 million related to the closure in the second half of this year and the first half of next.

In morning trading, American Axle shares rose a dollar, or 9.5 percent, to \$11.54 by midday.

Source URL (retrieved on 12/18/2014 - 4:12pm):

http://www.impomag.com/news/2011/08/american-axle-2q-profit-nearly-doubles?qt-recent_content=1&qt-digital_editions=0